

Service Date: June 13, 1989

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

* * * * *

IN THE MATTER Of The Application)	UTILITY DIVISION
Of TREASURE STATE PIPE LINE COMPANY)	DOCKET NO. 88.9.30
for Authority To Decrease Rates and)	ORDER NO. 5362a
Charges for Natural Gas Service.)	
_____)	

FINDINGS OF FACT

1. On September 26, 1988, Treasure State Pipe Line Company (Applicant, TSP, Company) filed an application seeking authority to decrease rates for natural gas service. The application sought authority to decrease rates in order to reflect lower purchased gas costs due to connection of a new source of supply. Prior to this application, TSP bought 100 percent of its gas from the Montana Power Company. Now the town of Sunburst will be served by gas from a firm named J. R. Bacon Drilling. This new source of gas will cost #1.90 per Mcf versus \$3.465 per Mcf from Montana Power Company. Sunburst represents approximately 65 percent of the total load of TSP. Sweetgrass will continue to be served by Montana Power Company gas. Treasure State Pipe Line is proposing to reduce its rate for natural gas from \$6.6723 per Mcf to \$5.7934 per Mcf.

2. On October 3, 1988, the Commission issued Interim Order No. 5362 which approved the proposed rate decrease.

3. The Commission grants final approval of the interim rate decrease requested by the Applicant, and finds that this Docket should be closed.

CONCLUSIONS OF LAW

1. Applicant is a "public utility" within the meaning of Section 69-3-101, MCA.

2. The Montana Public Service Commission properly exercises jurisdiction over the Applicant's Montana operations pursuant to Title 69, Chapter 3, MCA.

3. The rate levels and spread approved herein are reasonable.

ORDER

1. Treasure State Pipe Line's request to reduce rates to reflect a new source of gas supply is granted final approval.

DONE AND DATED this 12th day of June, 1989, by a 5-0 vote.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

CLYDE JARVIS, Chairman

HOWARD L. ELLIS, Commissioner

WALLACE W. "WALLY" MERCER, Commissioner

DANNY OBERG, Commissioner

JOHN B. DRISCOLL, Commissioner

ATTEST:

Ann Purcell
Acting Commission Secretary

(SEAL)

NOTE: Any interested party may request that the Commission reconsider this decision. A motion to reconsider must be filed within ten (10) days. See 38.2.4806, ARM.